# ILLINOIS BUSINESS REVIEW

*A MONTHLY SUMMARY OF BUSINESS CONDITIONS FOR ILLINOIS*

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## HIGHLIGHTS OF BUSINESS IN NOVEMBER

Spurred by rising sales and defense orders, the output of the nation's mines and factories reached a new postwar high in November. The Federal Reserve index of industrial production is estimated to have risen 2 points above the October level to 229 percent of the 1935-39 average; this is 9 points above November of last year. Steel mills operated at a record 106 percent of capacity throughout the month, which corresponds to about 2.2 million tons of iron and steel from castings weekly. Output of other metals was maintained at high levels, and television production rose to a rate of nearly 10 million sets a year.

In view of this rising activity, it is not surprising that total civilian employment reached a new high for the month of November at 62.2 million, solely on the strength of a sharp rise in nonfarm employment.

### Wholesale Prices Continue Decline

It is a tribute to the productive capacity of our economy that wholesale prices have not risen despite heavy civilian and military demands. The Bureau of Labor Statistics comprehensive index of wholesale prices during most of November was somewhat lower than the 111.2 figure for October (1947-49 = 100). Price declines were greatest in farm products and processed foods.

For the first time since the outbreak of fighting in Korea, the parity ratio dipped below 100. In the month ended November 15, prices received by farmers for meat animals, cotton, fruit, and corn declined. Prices paid by farmers declined also, but not so much, with the result that the parity index, the ratio of prices received to prices paid, dropped one point to 99. Last November, it was 106.

### Manufacturers' Sales at Peak

Manufacturers' sales this fall were the highest in history. On a seasonally adjusted basis, the sales of manufacturers in September equalled the previous peak of $23.7 billion set in May, 1951, and in October rose to a new high of $24.5 billion. Pacing the rise were increased shipments of fabricated metals, transportation equipment, and lumber among durable goods; and of apparel, food, and chemicals among nondurable goods.

At the same time, new orders received by manufacturers in October reached the highest point of the year, 3 percent above both the preceding month and October, 1951. This development, plus the past year's reduction of retailers' stocks (chart, p. 6), would seem to augur a continuing high demand for manufacturers' wares.

### Stock Market Moves Up

After fluctuating within a relatively narrow range since July, 1951, industrial stock market prices began to surge upward the week after Election Day and continued to rise during the remainder of the month. By the month's end, the Dow-Jones industrial average was up to 284 and was still rising, "breaking through" the previous bull-market high of 282.4 established last August and reaching the highest point since April, 1930.

Various reasons are advanced to explain the upturn. Principal among them are the favorable business climate expected under General Eisenhower's administration, the unusually good business being experienced by retailers and manufacturers alike, and the continuing high level of private and government expenditures. Because of these factors, it is asserted, investors have been instilled with new confidence in continuance of present prosperity.

### Construction Outlook Bright

Expenditures for new construction in 1953 are expected to set a new record, perhaps as much as $1 billion over the indicated $32.7 billion total for 1952. This latest government forecast assumes no major change in the international situation, plentiful supplies, a continuing high level of business, and relatively stable prices.

Expansion both in public and in private expenditures is foreseen. Public construction is expected to rise the most, by 6 percent to $11.3 billion, with the advance resulting as much from increasing activity in civilan projects as from expanding military programs. Attempts by the states to catch up with the tremendous growth in the school-age population and automobile ownership, together with increased Federal aid, will boost both public school and highway building nearly 10 percent.

The main factors contributing to an expected 2 percent rise in private construction (to $22.2 billion) are a continuing high level of housing activity and expanded public utility and commercial building. More than one million private dwelling units may again be started in 1953. Unprecedented expenditures approaching $4.3 billion are indicated for 1953 by public utilities, and an increase of nearly one-fourth is anticipated in commercial building.

**PUBLIC OPINION POLLS AND THE 1952 ELECTIONS · By J. E. Bachelder · Page 8**

# ILLINOIS BUSINESS REVIEW

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## No Easy Solution

At the close of his recent trip to Korea, President-elect Eisenhower stated that he had found "no panaceas, no trick solutions." It is a statement that may well be generalized to cover a good many of the world's unsolved problems — including Western Europe's twin problems of inflation and dollar deficits discussed here last month.

Innumerable solutions for these economic problems have been proposed. Such solutions are, however, more easily proposed than carried out. They usually conflict with each other or with basic objectives of national policy; and attempts to carry them out prove impractical in the light of existing political conditions.

### Efforts to Increase Production

It has been widely recognized that the most satisfactory solution lies in getting increased production from available resources. Since labor forces are generally limited, attention is commonly turned toward increasing productivity. In this field alone, numerous plans have been tried. Foreign missions have been invited to inspect our plants. We in turn have sent teams of experts to teach them our methods. Unfortunately, this transfer of technology has not proved as helpful as was hoped. Most countries have neither the capital nor the mass markets needed to make the adoption of our methods practical.

Even to the extent that practical improvements were made known, it has not always been possible to put them into effect. To increase production it is necessary to improve facilities, and the re-equipping of any industry is a costly process. Expenditures for this purpose necessarily add to the burden of competing demands, and thus to inflationary pressures. Recognizing that the burden was at least temporarily overwhelming, the Marshall Plan was specifically designed to provide resources needed for reconstruction. Its effectiveness toward this goal cannot be denied, but too often the funds provided had to be used to meet current emergency needs and contributed nothing to expansion programs.

All this is not to say that nothing has been accomplished. Indexes of production show that Europe is turning out a third more than before the war; and further advances are being made however halting and long-drawn-out the process of expansion may be. A fact that frequently has been pointed out is that production has increased to the point where it is sufficient to meet all normal needs — for consumption, for investment, and for exports. Only the necessity for maintaining large military programs imposes a piling up of demands that cannot be met.

### Investment Needs Strongly Supported

To relieve the pressure it would be necessary to reduce some or all of these demands. But here again, measures that are seemingly within the powers of government encounter recalcitrant opposition.

In most countries, investment needs have been given recognition in expansion programs of various kinds. Such programs are assigned high priority among national objectives, because any slowing in the rate of productivity increase will, over a period of time, reduce their real income relative to ours and worsen their dollar gap by reducing their ability to compete with us. Hence, every effort is made to carry out such programs despite any difficulties that may be encountered.

An important exception is the low level of housing construction in Germany. The needs created by destruction and by growth of population were so huge that they could not possibly be met in any reasonably short period and were, therefore, largely ignored in favor of business expansion that could more readily pay its way.

England, in contrast, has undertaken a heavy residential construction program. Its total investment demands have also been swelled by the capital exports needed to discharge foreign indebtedness incurred during the war. These foreign capital transactions have contributed substantially to its recurring balance-of-payments emergencies, because exports could not be increased sufficiently to cover capital as well as current payments, and reserves were correspondingly drawn down. Only in the last year has there been any relief from the pressure of investment demands. With the "recession" of 1952, private business investment has lagged, helping to restrain the price advance, but this lag is at the same time being pointed to as a serious cause of concern for the future.

### Attempts to Restrict Consumption

Efforts to restrict consumption also meet strong resistance. What can be accomplished is perhaps best illustrated by the German experience, though Italy and Belgium followed similar approaches. In Western Germany, a whole battery of deflationary measures kept living standards low — actually at a level of extreme poverty for large segments of the population. Heavy taxation, low wages and long hours for labor, and a monopolistic system of pricing designed to produce profits high enough to rebuild industrial capital quickly proved fairly successful in maintaining stability while production was being stepped up. It was possible to carry out such policies because of the combination of special circumstances that prevailed. A defeated people started without high expectations and knew that disturbances would be quickly put down by the occupation forces. They recognized that the facilities on which employment depends had been largely destroyed or removed. The continual flow of refugees from the Eastern zone kept unemployment high and held wages down.

Similar measures could hardly be applied in other circumstances; and in recent months there has been a distinct shift away from these repressive conditions even in Germany. Now the expectations of the German people

(Continued on page 6)

# MOBILE HOUSING IN ILLINOIS

The trailer coach industry, now a business with a capital investment of more than one billion dollars, occupies a unique position in American industry. Billion-dollar industries are not unusual in the United States, but what makes the trailer coach industry unusual is its phenomenal growth: twenty-one years ago it did not exist; today it is "big business."

Prior to 1930, the only trailers resembling present-day models were custom-built, special-purpose trailers for business use. Vacationists were using various types of luggage and tent trailers or home-made house trailers as temporary shelter. It was these vacationists who gave the industry its start through their demand for camping and vacationing equipment which would provide greater comfort and convenience than makeshift shelters. The early "house trailers" were 12 to 14 feet long and were designed to supply a compact, utilitarian shelter in which hunters, fishermen, and other outdoor vacationists could sleep and prepare meals.

Throughout the decade preceding World War II, trailers were lengthened, plumbing facilities were added and improved, and more complete kitchen facilities were added. By the end of the thirties, trailer coaches had become year-round homes on wheels, and sales had reached $10 million as compared with sales of a little over $1 million in 1930. In the following years, trailers continued to grow in size and in number of conveniences available. The popularity of trailer homes grew even more rapidly. The industry's sales stood at $114 million in 1946 and $248 million in 1951, and it is almost certain that 1952 sales will be higher still. On the basis of the first nine months, the Trailer Coach Manufacturers Association estimates that sales will pass the $300-million mark this year.

## Illinois as a Producer of Mobile Homes

Illinois shares with Michigan, Indiana, and California the distinction of being one of the "big four" of the trailer industry. Although less than 9 percent of the nation's trailer manufacturing establishments are located in Illinois, the State's industry accounts for 16 percent of the value added and 17 percent of the value of products shipped by the industry. During 1947 approximately 1,200 workers in the Illinois trailer manufacturing industry put in more than two million man-hours of work and turned out products valued at over $23 million. Since production has doubled since 1947, it is reasonable to assume that these figures have increased substantially as well.

Twelve of the thirteen Illinois trailer factories are located in Chicago. Some of these factories, such as those of the Glider Trailer Company, the Travelite Trailer Company, and the Indian Trailer Corporation, are among the largest in the industry.

The State's only trailer coach manufacturer outside Chicago is the Universal Trailer Corporation of Illinois, located at Batavia.

## Changing Nature of the Industry

An interesting shift has taken place in the purposes for which people buy house trailers and consequently in the design and construction of the trailers. In 1937, about half the trailers sold were purchased for the purpose of providing shelter to vacationers; in 1950, this group accounted for less than 1 percent of the industry's sales. In the earlier year, retired people who wished to travel bought 35 percent of the trailers and those whose occupations forced them to move about a good deal accounted for about 15 percent of sales. By 1950, these percentages had been reversed, with the former group buying only 15 percent and the latter group buying about 35 percent. This does not represent a decrease in absolute sales to retired people, however, but merely a slower increase in demand. Dollar sales to this group were five times as large in 1950 as in 1937. Two groups whose demand was negligible in 1937 now account for almost half of the dollar amount of sales. The first of these groups, persons who buy trailers for use as temporary housing, accounted for 45 percent of dollar sales in 1950. The second, smaller, group are those who prefer to live in trailer coaches and have no intention of returning to conventional housing. This group purchased about 4 percent of the industry's output in 1950.

In addition, a small percentage of trailer coaches are used for business purposes, such as medical and dental offices, construction field offices, and bookmobiles.

## The Future of the Industry

A review of the major causes of this prosperity shows that it is built on a foundation which is likely to last for many years. These causes are as follows:

Improvement in the coaches themselves. Today's coaches are longer, roomier, and more homelike. Some of them even contain automatic washing machines and television sets.

Improvement in the quality of trailer parks. Many of the newer parks represent investments of $50,000 to $250,000, much of the investment going into paved roadways, utilities, and landscaping.

Trailer coaches offer an excellent answer to wide fluctuations of population in war plant areas and are preferred by many construction workers to the inferior temporary housing frequently provided for them.

The industry is much concerned with standardization of conflicting state and local laws and regulations relating to length of trailers, taxes on trailers, speed limits for cars towing trailers, and restrictions on hours and days of the week when trailers may be moved on the highways. Such standardization would help the industry considerably.

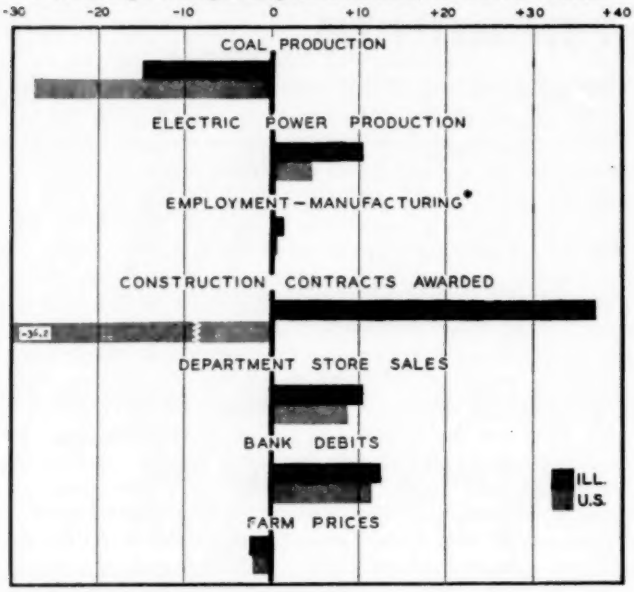
The removal, in the post-war years, of the 7 percent Federal excise tax on all trailer sales and the improvement in financing terms have aided the industry's expansion and will probably continue as an important factor in the future growth of the industry.

KNOW YOUR STATE

# STATISTICAL SUMMARY OF BUSINESS ACTIVITY

## SELECTED INDICATORS

**Percentage changes September, 1952, to October, 1952**




*August, 1952, to September, 1952.

## ILLINOIS BUSINESS INDEXES

| Item | October 1952 (1947-49 =100) | Percentage Change from Sept. 1952 | Percentage Change from Oct. 1951 |
|---|---|---|---|
| Electric power[1] | 150.8 | +10.4 | +11.8 |
| Coal production[2] | 79.3 | −14.8 | −18.0 |
| Employment—manufacturing[3] | 104.6 | + 1.1[a] | + 1.2[b] |
| Payrolls—manufacturing | n.a. | .... | .... |
| Dept. store sales in Chicago[4] | 107.0[c] | +10.9 | + 1.2 |
| Consumer prices in Chicago[5] | 115.2[d] | 0.0 | + 1.2 |
| Construction contracts awarded[6] | 179.7 | +37.1 | +26.6 |
| Bank debits[7] | 145.2 | +12.3 | + 9.5 |
| Farm prices[8] | 112.1 | − 2.4 | − 6.8 |
| Life insurance sales (ordinary)[9] | 136.8 | +12.8 | +15.8 |
| Petroleum production[10] | 95.1 | + 3.3 | − 1.7 |

[1] Fed. Power Comm.; [2] Ill. Dept. of Mines; [3] Ill. Dept. of Labor; [4] Fed. Res. Bank, 7th Dist.; [5] U. S. Bur. of Labor Statistics; [6] F. W. Dodge Corp.; [7] Fed. Res. Bd.; [8] Ill. Crop Rpts.; [9] Life Ins. Agcy. Manag. Assn.; [10] Ill. Geol. Survey.
[a] August, 1952, to September, 1952. [b] September, 1951, to September, 1952. [c] Seasonally adjusted. [d] On 1935-39 base, the index was 195.9. n.a. Not available.

## UNITED STATES MONTHLY INDEXES

| Item | October 1952 | Percentage Change from Sept. 1952 | Percentage Change from Oct. 1951 |
|---|---|---|---|
| | Annual rate in billion $ | | |
| Personal income[1] | 275.8[a] | + 0.7 | + 5.4 |
| Manufacturing[1] | | | |
| Sales | 294.0[a] | + 3.4 | + 7.9 |
| Inventories | 43.3[a, b] | + 0.2 | + 2.1 |
| New construction activity[1] | | | |
| Private residential | 12.5 | − 0.9 | + 8.0 |
| Private nonresidential | 11.3 | − 4.0 | − 0.3 |
| Total public | 12.3 | − 4.0 | + 8.9 |
| Foreign trade[1] | | | |
| Merchandise exports | n.a. | .... | .... |
| Merchandise imports | n.a. | .... | .... |
| Excess of exports | n.a. | .... | .... |
| Consumer credit outstanding[2] | | | |
| Total credit | 22.3[b] | + 3.0 | +13.9 |
| Installment credit | 15.6[b] | + 2.6 | +18.2 |
| Business loans[2] | 22.3[b] | + 2.8 | + 8.3 |
| Cash farm income[3] | 49.2 | +13.8 | − 2.6 |
| | Indexes (1947-49 =100) | | |
| Industrial production[2] | | | |
| Combined index | 123[a] | + 0.4 | + 4.1 |
| Durable manufactures | 136[a] | + 2.4 | + 7.3 |
| Nondurable manufactures | 112[a] | − 0.5 | + 2.7 |
| Minerals | 113[a] | − 5.7 | − 5.2 |
| Manufacturing employment[4] | | | |
| Production workers | 106[a] | + 0.4 | + 2.0 |
| Factory worker earnings[4] | | | |
| Average hours worked | 104 | + 0.5 | + 2.5 |
| Average hourly earnings | 128 | + 0.5 | + 5.6 |
| Average weekly earnings | 134 | + 1.0 | + 8.2 |
| Construction contracts awarded[5] | 170 | −36.2 | +23.7 |
| Department store sales[2] | 115[a] | + 8.5 | + 5.5 |
| Consumers' price index[4] | 114[c] | + 0.1 | + 1.9 |
| Wholesale prices[4] | | | |
| All commodities | 111 | − 0.5 | − 2.2 |
| Farm products | 105 | − 1.6 | − 5.9 |
| Foods | 109 | − 1.6 | − 2.8 |
| Other | 113 | − 0.1 | − 1.3 |
| Farm prices[3] | | | |
| Received by farmers | 105 | − 2.1 | − 4.7 |
| Paid by farmers | 113 | − 1.1 | − 0.4 |
| Parity ratio | 100[d] | − 1.0 | − 4.8 |

[1] U. S. Dept. of Commerce; [2] Federal Reserve Board; [3] U. S. Dept. of Agriculture; [4] U. S. Bureau of Labor Statistics; [5] F. W. Dodge Corp.
[a] Seasonally adjusted. [b] As of end of month. [c] On 1935-39 base, 190.9. [d] Based on official indexes, 1910-14 = 100.

## UNITED STATES WEEKLY BUSINESS STATISTICS

| Item | 1952 Nov. 22 | 1952 Nov. 15 | 1952 Nov. 8 | 1952 Nov. 1 | 1952 Oct. 25 | 1951 Nov. 24 |
|---|---|---|---|---|---|---|
| Production: | | | | | | |
| Bituminous coal (daily avg.) thous. of short tons | 1,738 | 1,803 | 1,800 | 1,537 | 358 | 2,032 |
| Electric power by utilities mil. of kw-hr. | 7,971 | 7,884 | 7,807 | 7,753 | 7,696 | 7,157 |
| Motor vehicles (Wards) number in thous. | 123.5 | 137.9 | 134.3 | 146.7 | 135.9 | 78.1 |
| Petroleum (daily avg.) thous. bbl. | 6,582 | 6,543 | 6,535 | 6,471 | 6,461 | 6,145 |
| Steel 1935-39=100 | 247.8 | 248.0 | 246.4 | 249.7 | 248.7 | 232.2 |
| Freight carloadings thous. of cars | 811 | 829 | 829 | 862 | 761 | 711 |
| Department store sales 1947-49=100 | 134 | 130 | 118 | 115 | 122 | 123 |
| Commodity prices, wholesale: | | | | | | |
| All commodities 1947-49=100 | 110.3 | 110.7 | 110.0 | 110.3 | 110.6 | 113.6 |
| Other than farm products and foods 1947-49=100 | 113.0 | 113.0 | 112.1 | 112.4 | 112.5 | 114.5 |
| 22 commodities 1947-49=100 | 91.5 | 91.7 | 91.6 | 90.9 | 92.6 | 109.5 |
| Finance: | | | | | | |
| Business loans mil. of dol. | 22,896 | 22,727 | 22,484 | 22,274 | 22,153 | 20,872 |
| Failures, industrial and commercial number | 167 | 148 | 143 | 136 | 154 | 149 |

Source: *Survey of Current Business, Weekly Supplements.*

# RECENT ECONOMIC CHANGES

## Employment Rises

More people were employed in civilian occupations in November than in any other November on record. At 62.2 million, total employment was 360,000 above October, and 900,000 above November a year ago. The increase was entirely due to a more than seasonal rise in nonagricultural employment, which rose 900,000 from October to a total of 55.5 million in November. During the month, agricultural employment continued its seasonal decline, dropping from 7.3 million in October to 6.8 million in November.

Unemployment, at a record low of 1.3 million in October, rose in November to 1.4 million. Despite this slight rise, the jobless total was well under unemployment a year ago. Of those who were willing and able to work last month only 2.2 percent could not find jobs; a year ago 2.9 percent were unemployed. Census data, in thousands of workers, are as follows:

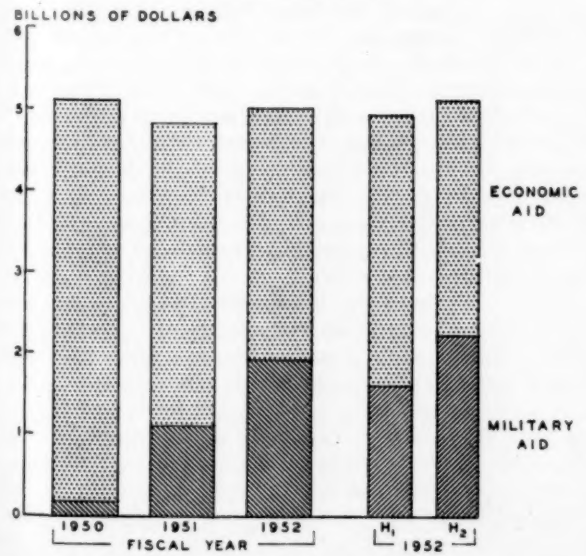
| | *November* 1952 | *October* 1952 | *November* 1951 |
|---|---|---|---|
| Civilian labor force | 63,646 | 63,146 | 63,164 |
| Employment | 62,228 | 61,862 | 61,336 |
| Agricultural | 6,774 | 7,274 | 7,022 |
| Nonagricultural | 55,454 | 54,588 | 54,314 |
| Unemployment | 1,418 | 1,284 | 1,828 |

## Foreign Aid in Fiscal 1952

In the fiscal year ended June 30, 1952, the United States extended $5.0 billion as foreign aid in the form of loans and gifts. Assistance in the two years since the outbreak of hostilities in Korea has totaled $9.8 billion. In this two-year period, repayments on credits, counterpart funds, and returned lend-lease vessels reached almost $1 billion, so that net aid amounted to $8.9 billion — $8.4 billion in net grants and $0.5 billion in net credits.

Foreign aid totals have shown relatively little variation since 1950, amounting to $5.1 billion in fiscal 1950, $4.8 billion in fiscal 1951, and $5.0 billion in fiscal 1952. However, as the accompanying chart shows, military aid has absorbed an increasingly large proportion of the total. In fiscal 1950, the last year before the Korean invasion, military aid amounted to only 4 percent of total foreign aid. Since then, military assistance has risen rapidly, accounting for 24 percent in fiscal 1951 and 38 percent in fiscal 1952. By the second half of fiscal 1952, military aid was up to 43 percent of the total and gross foreign aid in the last quarter of the year was higher than in any quarter of the preceding three years, reaching an annual rate of $6.0 billion.

FOREIGN AID




Source: U. S. Department of Commerce.

## Gross National Product Advances Slightly

Gross national product rose slightly in the third quarter to an annual rate of $343.4 billion, only $0.8 billion over the second quarter level. There was even less change in the physical volume of production from the second to the third quarter when account is taken of the moderate price rise that occurred during the period.

Consumer expenditures remained unchanged in the third quarter at an annual rate of $215 billion. Expenditures for consumer durable goods, however, dropped $2.2 billion. This was largely due to a reduction of $2.5 billion in expenditures for automobiles, production of which had been sharply curtailed by the work stoppage in steel. In contrast, consumer purchases of other durables — notably furniture, television sets, and household equipment — advanced over the preceding quarter by half a billion dollars at an annual rate. Spending for nondurable goods showed little change from the second quarter, whereas expenditures for services were up $1 billion.

GROSS NATIONAL PRODUCT OR EXPENDITURE
(seasonally adjusted, billions of dollars at annual rates)

| | *3rd Qtr. 1952* | *2nd Qtr. 1952* | *3rd Qtr. 1951* |
|---|---|---|---|
| Gross national product | 343.4 | 342.6 | 330.9 |
| Personal consumption | 215.0 | 214.9 | 206.4 |
| Durable goods | 24.2 | 26.4 | 25.5 |
| Nondurable goods | 118.0 | 117.8 | 113.2 |
| Services | 71.9 | 70.8 | 67.6 |
| Domestic investment | 51.7 | 49.3 | 56.2 |
| New construction | 23.0 | 23.6 | 22.4 |
| Producers' durable equipment | 25.0 | 25.7 | 24.9 |
| Changes in business inventories | 3.7 | .1 | 8.9 |
| Nonfarm inventories only | 3.0 | −.8 | 8.2 |
| Foreign investment | −1.2 | .4 | 1.1 |
| Government purchases | 77.9 | 78.0 | 67.3 |
| INCOME AND SAVINGS | | | |
| National income | n.a. | 286.9 | 280.2 |
| Personal income | 268.9 | 264.4 | 256.1 |
| Disposable personal income | 235.3 | 231.5 | 227.1 |
| Personal saving | 20.3 | 16.5 | 20.7 |

Total gross private domestic investment moved forward from an annual rate of $49.3 billion in the second quarter to $51.7 billion in the third on the strength of a $3.6 billion increase in business inventory accumulation. This was partly offset by a decline of $1 billion in business outlays for new plant and equipment.

Government purchases of goods and services remained unchanged from the second quarter annual rate of $78 billion. The advance in national security expenditures, the largest component of government purchases, was temporarily halted at an annual rate of $50 billion, mainly because of the effects of work stoppages brought about by the steel strike.

## Levelling of Business Inventories

The combined inventories of manufacturers, wholesalers, and retailers amounted to $74 billion (seasonally adjusted) at the end of October. This was less than 1

percent above September of this year and October a year ago. Retailers' stocks registered the biggest gains.

As shown by the accompanying chart, total business inventories in 1952, which had been running ahead of the corresponding months of 1951 during the first half of the year, have been below the 1951 level since July. It is significant that the high level of stocks in 1952 is wholly the result of greater manufacturing inventories. Retailers' stocks have been below their 1951 levels most of the year even though retail sales have been above those of 1951 every month of this year since February. For instance, the latest figures available show total sales of all retail stores in October amounted to $15 billion, about 9 percent above the same month a year ago. If the Christmas shopping season comes up to initial expectations, retailers' shelves may be well-nigh cleaned off by the end of the year.

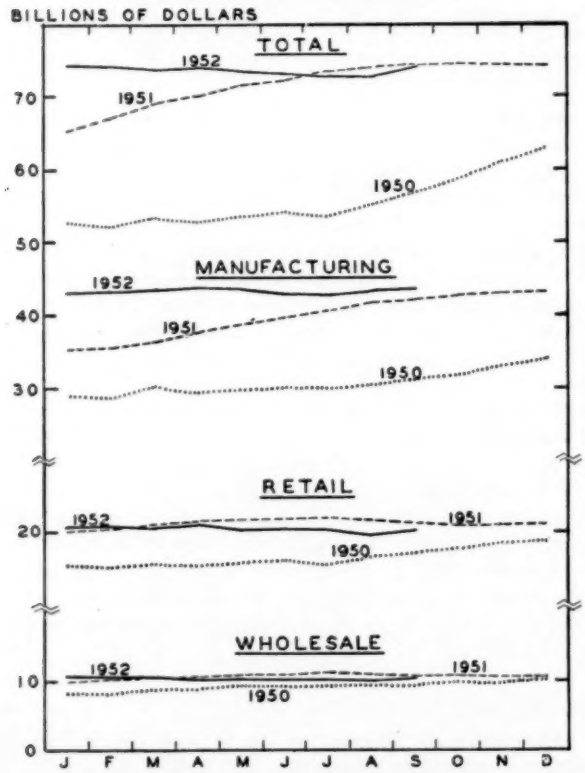
## Credit Up

Loans to business firms rose during the four-week period ended November 26 to $22.7 billion, 3.4 percent higher than at the end of October and 9.3 percent higher than at the end of November last year. Increases in loans were sizable in each of the five weeks prior to November 26, reaching their fall peak in the week ended November 12.

Consumer credit has also been rising, advancing during October to a record $22.3 billion, up $650 million from September and $2.7 billion above October a year ago. Installment credit at the end of October amounted to $15.6 billion, of which well over half was for automobile loans; noninstallment credit such as single payment loans and charge accounts made up the remaining $6.7 billion.

Since May of this year when Congress dropped Regulation W, which established the down payment and payoff requirements on such purchases as automobiles, furniture, and appliances, there has been a $2.1 billion boost in consumer credit. This has been a cause for concern in some government circles, though it is also noted that the ratio of consumer credit to disposable income is now slightly less than 10 percent, somewhat lower than it was in 1940.

**BUSINESS INVENTORIES**




Source: U. S. Department of Commerce.

## No Easy Solution

(Continued from page 2)

are being built up, as both East and West bid for their support, and the war boom is reducing unemployment and providing higher w. ges despite the deflationary policies still in effect.

In England, the people were insistent on re-establishing living standards as quickly as possible. Full employment programs were combined with efforts to maintain real values through price controls and rationing. Gradually, however, pressure against the control mechanisms was built up, until, with a solution no nearer to realization, policy changes had to be made. Beginning with the devaluation of 1949, there has been a slow movement away from the high-consumption policy, but the resistance of the British people to any loss in living standards places a definite restraint on the shift.

France pursued an intermediate course of action. It attempted to keep resources fully employed but permitted real wages to decline under the impact of inflationary price advances. The political instability of the postwar period illustrates the consequences of a situation in which the struggle between groups for larger shares of the national income cannot be subdued. The Pinay government has finally achieved some measure of success in obtaining stabilization, partly by cutting government expenditures but even more by securing, at least temporarily, the requisite degree of public cooperation. Apparently all are tired of a struggle in which none can be sure of coming out on top if the contest countinues.

## Military Programs

Topping all of these other demands are the requirements of the rearmaments race. When we tell other governments to put their houses in order, cut spending, and balance their budgets, we do not appear entirely consistent in their eyes. Not only do we fail to live up to this advice ourselves, but we also press them to expand their military programs.

Most of these countries wish to cooperate in the mutual defense effort. On the other hand, they have greater hopes than we about the possibilities of peaceful adjustment, and military programs do not have to be very large to ensure deficits in government budgets. In the face of economic problems so unyielding, they turn more and more away from any policy likely to aggravate international tension. This explains in part why reports from Europe indicate that defense efforts in many European countries are "bogging down," that attention is being directed toward improving the quality of existing forces rather than toward increasing them, and that increases in defense spending will at best be only moderate.

In other words, when they appear to us to be "dragging their heels," they are merely trying to minimize the difficulties of their positions. Since these difficulties are not easily resolved, and will probably persist as long as the Cold War continues, we have to expect something less than full support for any vigorous action we may wish to pursue in the years ahead. VLB

# BUSINESS BRIEFS

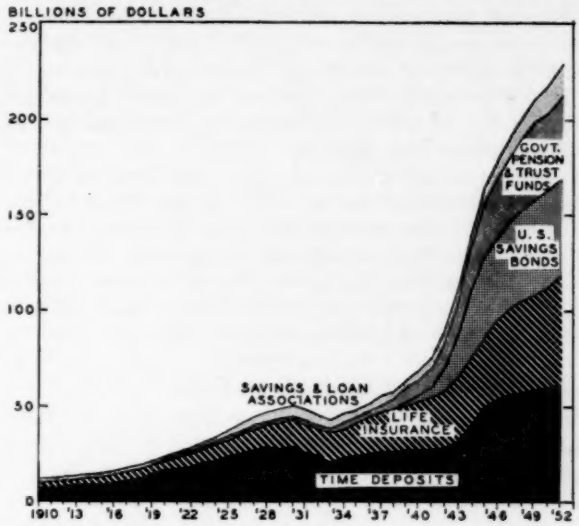
***PUBLICATIONS AND DEVELOPMENTS OF BUSINESS INTEREST***

## Savings by Individuals

Individual savings in life insurance, time deposits, United States savings bonds, savings and loan associations, and government pension and trust funds grew from $10.5 billion in 1910 to $228.8 billion in 1951, according to the August, 1952, issue of the National Industrial Conference Board's *Business Record*. During the depression years, the total of these selected savings declined only about $7 billion.

Changes in these forms of savings over the last 40 years can be seen from the accompanying chart. Time deposits and life insurance accounted for almost 80 percent of total savings in 1939, but by 1951 had dropped to only 52 percent. Since 1939, savings bonds have shown the greatest increase although government pensions and trust funds have also experienced very rapid growth.

**GROWTH OF SELECTED FORMS OF SAVINGS**




Source: National Industrial Conference Board, Inc.

## A Biographical History of Business

Probing into areas of business history previously untouched, comparisons and contrasts of the history of entrepreneurship both abroad and within the United States are interestingly presented in *Men in Business*. A book of eleven essays edited by William Miller and published in 1952 by the Harvard University Press (Cambridge, Mass., $5.00), the study was undertaken "to further our understanding of this world and these times by studying the history of business and, insofar as this may be said of men in relation to social forces, the history of businessmen who ruled it." These provocative essays, each written by a different author, include portrayals of John Stevens, Henry Day, Frank Sprague, and Henry Poor as well as of the American industrial elite in the 1870's and the careers of top executives in the 1900's.

## Employee Turnover

Although some employee turnover is essential to most industries because of business fluctuations, an excessive amount has created problems for many companies because of the high costs of replacement and training. Discussing "The Problem of Employee Turnover" in the September-October *Harvard Business Review*, Gordon T. Bowden analyzes standard methods of dealing with employee turnover. The advantages as well as the failings of placement techniques, wage levels, employee benefits, and attempts to discover employee attitudes through the use of questionnaires and interviews are studied. But the author believes that a large part of the problem of labor turnover could be solved through a closer relationship between supervisor and employee. A plan is suggested whereby supervisors would be trained through the study and discussion of company case histories.

## Aid for Airsickness

Chronic sufferers from seasickness and airsickness can find relief from a mixture of two drugs, benadryl and hyoscine, combined by Parke-Davis and Company of Detroit. In tests at Randolph Field, Texas, the new pill was given to 61 men, and a neutral pill was taken by 52 others. During the turbulent flights, none of the men who took the new tablet experienced severe nausea but 20.6 percent of the others went through varying degrees of agony. The pill is taken about one hour before departure time.

## TV-Quotient

"How will your product look on television?" is the question asked in "Your Product's TV-Q," an article in the October 15 issue of *Modern Industry*. Practical suggestions are offered for improving the appearance of products whether on television or not. One suggestion made is that a picture be taken of the item, mounted on the wall, and studied under daylight, incandescent light, and fluorescent light. A two-inch newspaper cut on coarse screen with "proofs" on newsprint will also help determine the TV-Quotient. Accompanying the article are several illustrations showing actual changes made in the packaging of some products so as to make them appear attractive on television.

## Carton Opener

A narrow tape strong enough to cut through a fiberboard carton has been developed by the Minnesota Mining and Manufacturing Company. Opening a cardboard box almost as easily as a cellophane tab opens a package of chewing gum, the tape saves time and eliminates the need for opening tools. An automatic machine designed to apply the tape to cartons at the rate of one per second is being manufactured by the same company.

## Home Fire Alarm

An attractive and compact fire alarm for the home is being marketed by R. J. Schuler Associates, Grosse Pointe Branch, Detroit 36, Michigan. Fully automatic, the alarm gives a loud penetrating warning when the temperature reaches a dangerous point, thus alerting the household to impending fire. Called "Firelarm," the device is hung on the wall and plugged into a 110 - 120 volt A. C. outlet. It needs no maintenance and does not use current except when set off by flames or excessive heat. The unit resets itself automatically when the fire has been extinguished. Selling for approximately $12.50 f.o.b. Detroit, the alarm is expected to be useful in homes, motels, barns, stores, garages, factories, and institutions.

# THE PUBLIC OPINION POLLS AND THE 1952 ELECTIONS

**JOSEPH E. BACHELDER, Institute of Communications Research**

In estimating the outcome of the presidential election in 1952, the pollers succeeded in indicating that General Eisenhower would win but failed to point out the percentage by which he would win. They failed in estimating the percentage of the popular vote he would receive, in predicting the "landslide" of electoral votes, and in indicating the size of the turnout.

The question which immediately arises is whether this is to be construed as another "failure of the polls" and if so why did it occur. The thesis of this paper is that the polls did not fail in terms of completely erring, that they did the best that can be done at the present stage of research in polling, and that the work this year indicated a great improvement over previous polling.

## The Record of Election Polls to Date

At this point, a brief history of recent polling should be outlined. The first "modern election polling" using national samples and field interviewing can be said to date from 1936. Thus, the pollers had had only four national presidential elections in which to experiment and gather experience prior to this last November. In one of these previous elections, that in 1948, the polls had been wrong in predicting the winner and in predicting the percentage vote. And although it is true that the polls have had experience in Congressional and local elections, only part of this experience can be used in the unique situations arising in presidential elections.

Following the 1948 election, in which the polls were completely in error, the Social Science Research Council appointed a committee to investigate the work of all organizations which did polling in 1948. The findings of this committee were later published in Bulletin 60 of the Social Science Research Council, *The Pre-Election Polls of 1948,* which has been read with intense interest by all pollers. The report did point out many possible reasons for the errors, but had little to offer as definite and verified suggestions for improvement. Many areas of possible error were not touched upon by the committee because of lack of time, data, or research.

Therefore, as the pollers started to plan for the 1952 elections they had little on which to base their planning except their own experience in four presidential elections and a small amount of research by social scientists. They knew, however, that they must try to do certain things. They had to tighten up their sample designs; poll later in the campaign, even up to a few days before the election; and try to get more information on the undecided voter. In their last releases before the election, the four national polls gave the following figures:

| | Eisenhower | Stevenson | Others | Undecided |
|---|---|---|---|---|
| Crossley | 47.4% | 42.3% | 0.4% | 9.9% |
| Gallup | 47 | 40 | ... | 13 |
| Roper | 49 | 37 | ... | 14 |
| Fink | 50.8 | 48.8 | 0.4 | .... |

At the time of this writing, it appears that the final tabulation of all votes in the presidential election will give the following results:

| | Eisenhower | Stevenson | Others |
|---|---|---|---|
| Actual returns | 55.1% | 44.5% | 0.4% |

Thus, all of these polls gave the lead to Eisenhower, but none of them gave as high a percentage of the vote as he actually obtained. With the exception of Fink, who did not report any Undecideds in his last release, the problem lay in the allocation of the undecided vote. Crossley, Gallup, and Roper suggested in their releases that experience had shown that the undecided vote usually went Democratic and concluded that this would indicate a very close election. In this estimate they were wrong.

In 1948 they had practically eliminated the undecided voter by allocating the Undecideds in proportion to the Decideds. They had been told, following 1948, that this was a great error and they should use some other system. It is interesting to see what the figures would have been if they had used their 1948 system of allocation in 1952 (data for the U. S. Poll are not given as it was not in operation in 1948):

| | Eisenhower | Stevenson |
|---|---|---|
| Crossley | 52.8 | 47.2 |
| Gallup | 54.0 | 46.0 |
| Roper | 56.9 | 43.1 |

It appears from these figures that the suggestions for allocating the Undecideds produced a worse estimate of the popular vote than the earlier systems.

## Improvements in Polling Methods

The pollers did tighten up their sample designs and used various systems. Somewhat to the confusion of the samplers, it made very little difference this time as to which type of sample was used. There were highly developed probability samples, pinpoint samples, quota samples, and variations of each used in the national, state, and local polls. This does not indicate that sampling is not important as a cause of error. It does indicate that sampling is not the "prime" solution to the problem.

All of the polls did poll much later than in 1948. All did some work in the week prior to the election and some continued up to a few hours before the deadline for the newspaper releases. To a certain degree, this late polling was disturbing rather than helpful, for it seemed to indicate an upswing in the percentage vote for Stevenson, which when projected through the election date, disclosed the possibility, at least, of a close result. Interpreted on the basis of previous experience, this trend added to the caution with which the pollers handled their late releases.

All of the pollers made various attempts to gather data which would give them more understanding of the possible behavior of the undecided, or noncommital, or "independent," voter. These attempts included fairly extensive questioning on previous voting behavior, group affiliation, party preference, occupation, age, education, and opinions on issues. The analysis of these data led Roper to call some respondents "People in Basic Conflict" and led some, if not all, pollers into what at times felt like "basic confusion."

Gallup used two questions, in addition to the presidential preference question, which had appeared to be highly revealing in election polling in other countries, notably in England. These included one which asked which "party" the respondent would like to see win and one which asked which "party" the respondent felt was best for himself and people like himself. The confusion arose when it was discovered that among those choosing Eisenhower on the candidate preference question, there were a large number who replied "Democratic Party" to

the other two questions. A person who was a member of a labor union, with an income under $4,000, who thought the Democrats were best for the working people, who could not find much to criticize about the last four years of the Truman administration, but who said he was going to vote for Eisenhower was the type which Roper called a "Person in Basic Conflict."

Two problems then arose. The first was in attempting to use these results to estimate the behavior of the Undecideds, and the second was whether the early preference for Eisenhower might fade out and the party loyalty and class association factors become the important issue when the respondent entered the voting booth. These problems were not solved by the pollers. The experience that most had with trying to handle the undecided voter indicates clearly that the present techniques are not satisfactory.

Although many of the new procedures and devices used by the pollers did not work out this time, they did eliminate what has been called the "Republican Bias" from their data, and for that they are thankful. In almost all previous polling there had been an overestimation of the Republican vote and a corresponding underestimation of the Democratic vote. This apparently was due to a number of technical problems, the chief one being the failure of interviewers to "go down low enough" in the economic groups. Through tighter sampling, better interviewing, and improved supervision this factor appears to have been handled successfully. But in terms of the final poll predictions and the final election results, this compensation for the "Republican Bias" may have been carried too far.

## Special Features of the 1952 Election

Thus, the failure to estimate the percentage of the popular vote which Eisenhower received was not due to a lack of effort or experimentation on the part of the pollers. Some of the error must be laid to the unusual factors of this election. Chief among these was the fact that a major party change was to take place. None of the polls had had any experience with such a change in the making. All polling had been done under a Democratic administration with no change in the party of the president. In fact, only two men, Roosevelt and Truman, had been elected in the history of contemporary polling. Therefore, there was no experience with such a change to be used in developing plans for polling or in interpreting the data after it was collected.

As one indication of the problems arising in a changing situation, we can mention the so-called prestige factor in the past-preference question. Experience has shown that there is a fairly constant prestige factor related to this in that more people, when questioned, say they voted for the winning candidate in the last election than actually did. In adjusting the sample and weighting the data this factor is taken into account. It is particularly useful in analyzing the Undecideds. But there was some indication this last summer and fall that the prestige factor was less important than before and that fewer people were saying they had voted for Truman in 1948. It may be, therefore, that when a political change is in the making, the prestige factor operates in reverse, and if people are thinking of changing their vote, they change their statements as to how they voted previously.

Another problem related to a change in party is that to win, a candidate must take some people away from the other party. Thus, many of those who choose the new candidate will have characteristics similar to those who voted for the other candidate in the previous election. How to define and measure the strength of the desire to change party and its persistence through election day is as yet an unsolved problem.

Another special factor in this election was that Eisenhower, in the final results, ran well ahead of his party. That is, he failed to pull into office with him many Republican candidates in state and local elections. Measuring the strength of a candidate versus the strength of his party is particularly important when a change is in the offing. This the polls were not successful in doing in the recent election.

The final unique factor in this last election which will be mentioned here is the unprecedented turnout of voters. The greatest number of voters in any presidential election prior to this one was 49,901,000 in 1940. In 1948 the turnout was 48,794,000. According to the most recent but still incomplete returns, more than 61,150,000 voters cast ballots in the presidential race this last November. Some 12,500,000 "new voters" went to the polls in November, and in polling, the problem of what to do with the person who says he did not vote in the previous election has always called for considerable thought on the part of the poller.

In the past, more people have said they would vote when asked by pollers than actually did go to the polls. When a large turnout is expected, the poller's problem is in estimating how many of his sample will actually vote. The predictions of the polls were based on an estimated turnout of from 53,000,000 to 55,000,000 voters. It is possible that the polls would have been correct in percentage estimates if there had been only that number casting ballots. There was some indication in polling results this last time that the "new voter" was more Republican than the rest of the sample.

## Conclusions

In summary it can be said that the polls improved their techniques this time to the point of eliminating the "Republican Bias" and in giving the lead to the winning candidate. They failed in estimating the percentage of the popular vote he would receive. This failure is due in part to lack of techniques which in turn is due to the few experiments that have been possible in presidential election polling. This failure is also due in part to the unique features of this election and the total lack of experience in polling elections with such features.

A final question that is always raised in connection with election polling is the effect it has on other areas of survey research, particularly market research. In the long run it is beneficial. There is no better way to make a research organization go into a period of self-searching and improvement than having it "stick its neck out" by publicly announcing its findings. From this experience many new ideas and developments arise which are passed on to other researchers and add to the steady improvement of survey work. Almost all of the pollers are in market research themselves and carry their findings over into the rest of their work.

In spite of the errors of the poll, there does not seem to be any other system of sounding public opinion which has been right as frequently as the polls. The essential problem is *not* why the polls were off a few percentage points but how, with all the known problems of polling and lack of experience and experimentation, they can come within a few percentage points of estimating how sixty-one million people will behave on the basis of talking to only a few thousand.

# LOCAL ILLINOIS DEVELOPMENTS

Illinois business activity in October registered gains over the previous month as well as over October, 1951. Construction contracts awarded, up 37 percent from September and almost 27 percent from October, 1951, totaled $95,401,000. October bank debits and life insurance sales increased more than 12 percent and electric power production and department store sales gained more than 10 percent over the previous month. All were up from a year ago. Operating at 109 percent of capacity in October, Chicago steel mills produced 2,058,453 net tons, 8 percent above September output and 10 percent higher than that of the same month last year. Other indexes showing increases included manufacturing employment and average weekly earnings, petroleum production, and business loans. Only two indexes, coal production and farm prices received, declined from the September level.

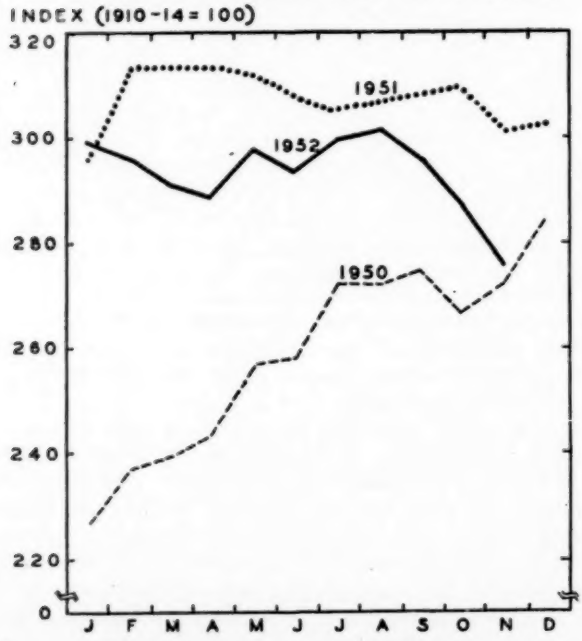
## Growth in Aged Population

Estimates of the population in Illinois indicate that on July 1, 1951, one out of every 11 persons was 65 years old or over. This compares with one out of every 12 persons in the United States. In April, 1950, when the Seventeenth Decennial Census was taken, 754,302 people in Illinois were reported as 65 years old or over. By July 1, 1951, the estimated number of persons who had reached their 65th birthday had grown to 787,000, an increase of 4.3 percent. But total population in the State rose only 1.2 percent to an estimated 8.8 million on July 1, 1951. The difference in these percentage increases reflects the rate at which the aged population is growing within Illinois.

## Cost of Industrial Accidents

Annual cost of industrial accidents in Illinois, based chiefly on 1951 data, was estimated at $407 million by the Illinois Department of Labor. Employee wage losses, including actual and future earnings, accounted for 53 percent of the total. But the loss to employers was also substantial. Besides the usual direct costs of compensation payments and medical and hospital expenses, employers paid for lost production, first aid, property damage, insurance overhead, spoilage of material, and other administrative costs. In addition, the State of Illinois paid $591,000 to administer workmen's compensation claims. These estimates are necessarily rough, but they do indicate the magnitude of a cost not often analyzed by states.

**FARM PRICES RECEIVED IN ILLINOIS**




Source: Illinois Department of Agriculture.

## Illinois Oil Fields

Illinois oil production in 1951 was 60.2 million barrels, off 3 percent from 1950. Producing 2.7 percent of the United States total, Illinois fell to seventh place in the country after having been sixth for eight years. Out of 2,383 wells completed during 1951, 916 were producing oil wells, 8 were gas wells, and the others were unsuccessful. At the end of the year, 113 producing oil wells had been drilled in 41 new fields as compared with 145 wells drilled in 24 new fields during 1950.

The price of crude oil in 1951 fluctuated only slightly from the $2.77 per barrel received in most Illinois fields. Total value of liquid products amounted to $166.9 million for crude at the well and approximately $8.7 million for natural gasoline and liquefied petroleum gases from Illinois oil fields in 1951.

## Employment Spurt

Nonfarm employment in Illinois rose by 66,700 persons in a two-month period ending with mid-September. Two-thirds of the gain was recorded in the Chicago area. The brighter picture of employment is due in large part to manufacturing activity and particularly to full steel production during the latter part of this 60-day period. Rising output of television and radio sets as well as an accelerated flow of communication equipment to the armed forces was another important factor in the increase.

Nonmanufacturing industries also shared in the advance. Service trades, transportation, and trade establishments together acquired some 13,300 new employees. Teaching staffs added about 8,700 persons because of heavy registrations in the lower elementary grades.

Unemployment during the 60 days dropped from 138,000 persons to 105,000. Employment gains and a return to school by students who had entered the labor market during the summer months contributed to this decline.

## Farm Prices Down

The index of prices received by Illinois farmers fell to 276 percent of the 1910-14 base in November, a low for 1952. This was 4 percent lower than in October and 8 percent less than in November, 1951. Prices received have been declining steadily since August when a 1952 high of 301 percent was recorded (see chart). The United States index of prices paid by farmers has also declined, but by a considerably smaller margin. As a result, the parity ratio for Illinois dropped more than that for the nation, moving from 105 in August to only 98 in November — the lowest point since April, 1950.

Both crop and livestock prices are off from a year ago. Lower prices in Illinois for meat animals, corn, wheat, oats, and red clover seed were only partially offset by increases in apple, hay, and milk prices. Consumers in Chicago paid 1 percent more for food in October than they had in the same month a year earlier.

## COMPARATIVE ECONOMIC DATA FOR SELECTED ILLINOIS CITIES

October, 1952

| | | Building Permits[1] (000) | Electric Power Consumption[2] (000 kwh) | Estimated Retail Sales[3] (000) | Department Store Sales[4] | Bank Debits[4] (000,000) | Postal Receipts[5] (000) |
|---|---|---|---|---|---|---|---|
| ILLINOIS | | $24,243[a] | 882,712[a] | $516,326[a] | | $12,689[a] | $14,347[a] |
| Percentage Change from | Sept., 1952 | −0.5 | +1.8 | +7.5 | +13.6 | +12.3 | +15.1 |
| | Oct., 1951 | −0.5 | +4.2 | +5.5 | +1.7 | +9.5 | +10.2 |
| NORTHERN ILLINOIS | | | | | | | |
| Chicago | | $17,857 | 684,862 | $382,045 | | $11,489 | $12,638 |
| Percentage Change from | Sept., 1952 | +3.7 | +1.3 | +10.1 | +14.2 | +12.0 | +15.2 |
| | Oct., 1951 | +0.4 | +4.3 | +7.3 | +1.3 | +10.2 | +10.6 |
| Aurora | | $ 725 | n.a. | $ 7,030 | | $ 46 | $ 102 |
| Percentage Change from | Sept., 1952 | +66.7 | | +1.9 | +6.9 | +4.0 | +15.3 |
| | Oct., 1951 | +138.5 | | +0.5 | +0.4 | −3.3 | +20.3 |
| Elgin | | $ 317 | n.a. | $ 5,095 | | $ 30 | $ 109 |
| Percentage Change from | Sept., 1952 | +22.9 | | −0.1 | +2.0 | +5.0 | +18.3 |
| | Oct., 1951 | −27.0 | | +0.2 | +2.8 | +5.0 | +6.9 |
| Joliet | | $ 100 | n.a. | $10,053 | | $ 62 | $ 76 |
| Percentage Change from | Sept., 1952 | −85.1 | | −0.2 | +7.5 | +13.1 | −5.0 |
| | Oct., 1951 | −76.2 | | +8.6 | +6.0 | +13.7 | −3.6 |
| Kankakee | | $ 39 | n.a. | $ 4,991 | | n.a. | $ 35 |
| Percentage Change from | Sept., 1952 | −80.9 | | +5.8 | −4.8 | | +5.6 |
| | Oct., 1951 | −70.2 | | +9.0 | +5.9 | | −3.8 |
| Rock Island-Moline | | $ 817 | 16,885 | $ 9,015 | | $ 39[b] | $ 159 |
| Percentage Change from | Sept., 1952 | −14.3 | +13.9 | −2.7 | n.a. | +9.0 | +34.2 |
| | Oct., 1951 | −27.8 | −2.8 | −12.4 | | +1.7 | −0.1 |
| Rockford | | $1,086 | 28,523 | $15,069 | | $ 137 | $ 173 |
| Percentage Change from | Sept., 1952 | +19.5 | +3.3 | +1.3 | +13.8 | +6.8 | +16.2 |
| | Oct., 1951 | +28.2 | +13.1 | −0.6 | −3.4 | +4.2 | +7.8 |
| CENTRAL ILLINOIS | | | | | | | |
| Bloomington | | $ 325 | 6,322 | $ 5,219 | | $ 59 | $ 98 |
| Percentage Change from | Sept., 1952 | −18.1 | +4.3 | +2.0 | n.a. | +5.3 | −2.7 |
| | Oct., 1951 | +72.9 | +15.8 | +3.4 | | +3.7 | −0.1 |
| Champaign-Urbana | | $ 277 | 7,540 | $ 7,359 | | $ 68 | $ 98 |
| Percentage Change from | Sept., 1952 | −51.6 | +5.7 | +13.9 | n.a. | +29.9 | +20.7 |
| | Oct., 1951 | +57.4 | −3.1 | +2.6 | | +5.8 | +14.2 |
| Danville | | $ 111 | 7,671 | $ 5,721 | | $ 46 | $ 58 |
| Percentage Change from | Sept., 1952 | −42.8 | −2.8 | +0.3 | +15.2 | +12.3 | +19.2 |
| | Oct., 1951 | −48.1 | +6.9 | +0.3 | +4.5 | +6.7 | −1.6 |
| Decatur | | $ 300 | 21,109 | $ 9,217 | | $ 151 | $ 102 |
| Percentage Change from | Sept., 1952 | +56.3 | +8.9 | +0.0 | +12.9 | +49.4 | +3.4 |
| | Oct., 1951 | −54.4 | +4.7 | +1.9 | +4.6 | +11.8 | +0.5 |
| Galesburg | | $ 214 | 5,723 | $ 3,878 | | n.a. | $ 34 |
| Percentage Change from | Sept., 1952 | −21.9 | +6.2 | +1.7 | n.a. | | +11.6 |
| | Oct., 1951 | +118.4 | +3.2 | −1.7 | | | +6.5 |
| Peoria | | $1,143 | 44,810[c] | $15,996 | | $ 238 | $ 215 |
| Percentage Change from | Sept., 1952 | +65.2 | +1.1 | −1.7 | +16.0 | +14.5 | +8.0 |
| | Oct., 1951 | +486.2 | −0.9 | +3.4 | +5.3 | +2.5 | +11.4 |
| Quincy | | $ 339 | 6,646 | $ 4,681 | | $ 41 | $ 80 |
| Percentage Change from | Sept., 1952 | +33.5 | −1.2 | +2.9 | +19.0 | +17.1 | +22.0 |
| | Oct., 1951 | +22.4 | +1.3 | −0.5 | 0.0 | +1.8 | +4.7 |
| Springfield | | $ 300 | 25,199[c] | $13,066 | | $ 101 | $ 229 |
| Percentage Change from | Sept., 1952 | −52.7 | +7.1 | +0.3 | n.a. | +11.0 | +16.7 |
| | Oct., 1951 | −17.8 | +8.6 | −2.2 | | +7.9 | +17.4 |
| SOUTHERN ILLINOIS | | | | | | | |
| East St. Louis | | $ 119 | 11,705 | $ 8,960 | | $ 149 | $ 67 |
| Percentage Change from | Sept., 1952 | −68.4 | −4.0 | −4.1 | n.a. | +7.4 | +24.6 |
| | Oct., 1951 | −26.1 | +2.2 | −2.0 | | −10.6 | +35.4 |
| Alton | | $ 89 | 11,166 | $ 4,704 | | $ 35 | $ 34 |
| Percentage Change from | Sept., 1952 | n.a. | +2.7 | +1.3 | n.a. | +9.4 | +40.4 |
| | Oct., 1951 | −5.3 | +6.7 | +4.8 | | +18.0 | +22.7 |
| Belleville | | $ 85 | 4,553 | $ 4,229 | | n.a. | $ 39 |
| Percentage Change from | Sept., 1952 | +63.5 | −13.8 | +3.9 | n.a. | | +15.3 |
| | Oct., 1951 | −90.4 | +1.6 | +7.0 | | | −17.4 |

Sources: [1] U. S. Bureau of Labor Statistics. Data include Federal construction projects. [2] Local power companies. [3] Illinois Department of Revenue. Data are for September, 1952, the most recent available. Comparisons relate to August, 1952. [4] Research Departments of Federal Reserve Banks in Seventh (Chicago) and Eighth (St. Louis) Districts. [5] Local post office reports.

[a] Total for cities listed.

[b] Moline only.

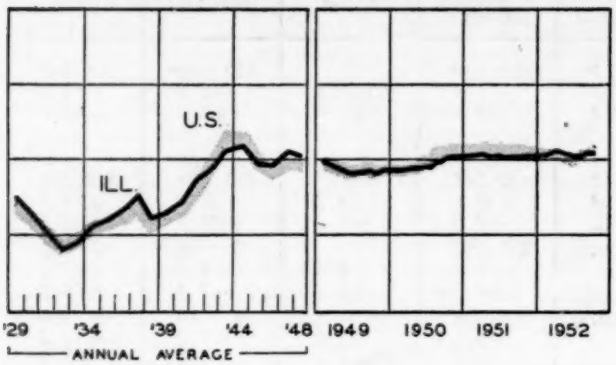
[c] Includes immediately surrounding territory.

n.a. Not available.

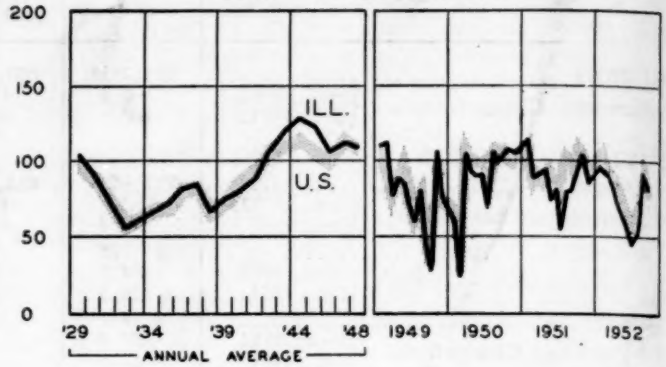
# INDEXES OF BUSINESS ACTIVITY

**1947-1949 = 100**

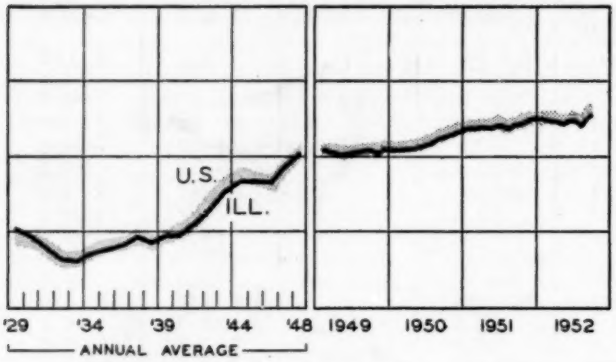
EMPLOYMENT – MANUFACTURING



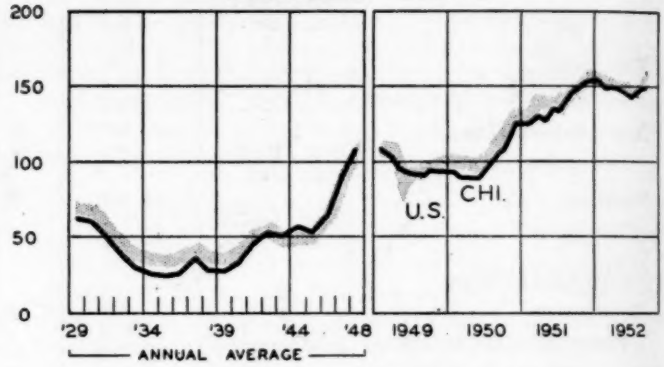

COAL PRODUCTION



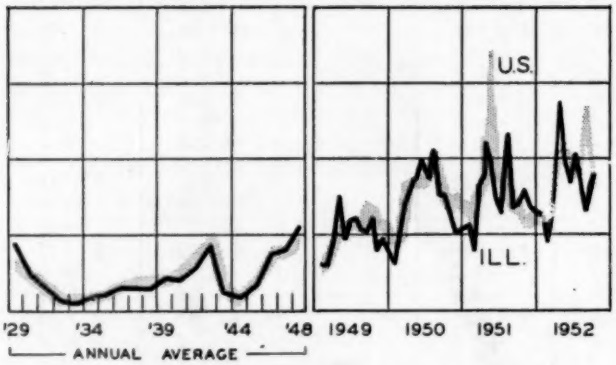

AVG. WKLY. EARNINGS – MANUFACTURING



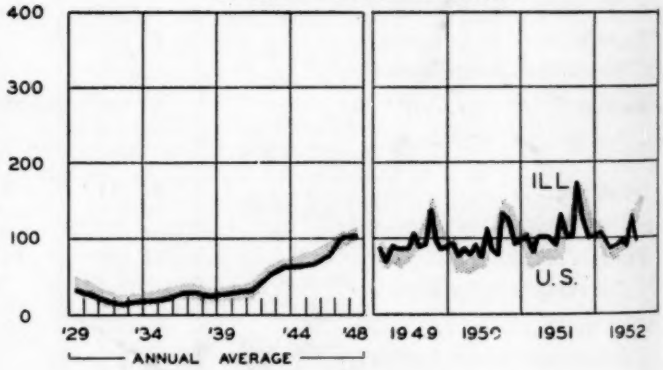

BUSINESS LOANS



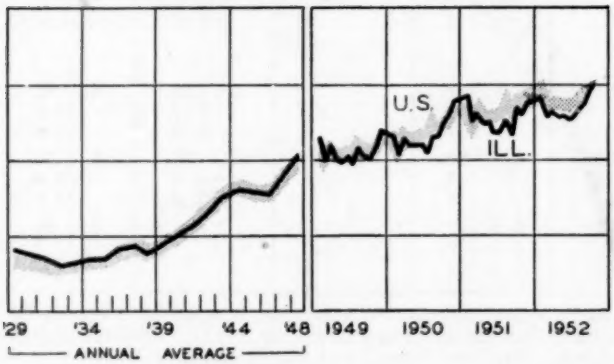

CONSTRUCTION CONTRACTS AWARDED

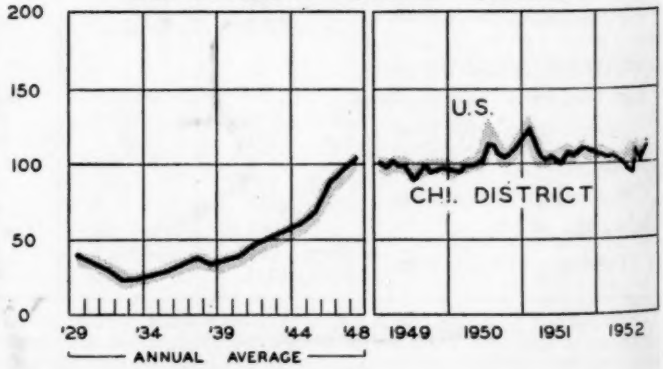



CASH FARM INCOME




ELECTRIC POWER PRODUCTION




DEPARTMENT STORE SALES